

California doctors' leaders sue health insurers

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The California Medical Association (CMA) has filed an antiracketeering lawsuit against the state's three largest for-profit national health insurance companies. The CMA alleges that the health insurers Wellpoint/Blue Cross of California, HealthNet, and Pacificare have used coercive, unfair, and fraudulent means to dominate and control doctor-patient relationships for their own financial gain, to the detriment of patients and physicians alike.

The American Medical Association supports the action of the 30,000-member CMA, which alleges breaches of the federal Racketeer Influenced and Corrupt Organizations Act (RICO). The CMA's president, Marie Kuffner, hopes the lawsuit will be the last step in what has been an excruciating and lengthy effort to force the insurers' health plans to give physicians adequate resources to care for their patients.

"It is with sadness that we are forced to this last resort," said Kuffner, a professor of anesthesiology at the University of California in Los Angeles. "We, as physicians, have tried to work with the for-profit health maintenance organizations in the marketplace and have attempted to curb the abuses through

the legislative process, all to no avail. We cannot continue to allow our patients' health to be jeopardized by corporate greed." She added: "For years these profit-driven companies denied needed services, interfered with medical decisions, and valued dollars more than lives. We say, 'No more in the state of California.'"

More than 9 million Californians, nearly 43% of those covered by for-profit plans in the state, are insured by the defendant plans. "CMA's role as plaintiff shows how crucial the health care problem is in the nation, particularly in California, where 21 million people belong to a managed care plan of some kind," said Archie Lamb, a lawyer in Birmingham, Alabama, who filed the suit on the CMA's behalf. The lawsuit uses the civil provisions of the RICO act to contend that the CMA's members have been harmed economically through a pattern of misconduct. If successful, the CMA may win up to 3 times the amount of damages that it would in a traditional lawsuit.

The insurers reject the CMA's charges and said that the action would only raise costs to the health care providers involved.